

Agency Activity Inventory
by Agency
Appropriation Period: FY 2006-07

Agency: E19 - Retirement System Investment Commission

Functional Group: Legislative,
Executive &
Administrative

1659 Investment Operations

The Retirement System Investment Commission (RSIC) was created by Act 153 of 2005 to invest the \$26 billion defined benefit retirement system funds (SCRS) as fiduciaries. On October 1, 2005, all functions & fiduciary responsibility of the Budget & Control Board for SCRS investments were transferred to the RSIC. The RSIC's mission is to fulfill fiduciary responsibility by prudently managing all assets held in trust for the sole benefit of the SCRS, seeking superior long-term investment results at an acceptable level of risk. The RSIC provides (1) coordination of investment activities; (2) establishment, maintenance, and monitoring of the portfolios; (3) continuing education on fiduciary responsibility & investment standards; (4) legal & fiduciary services on specific matters for the portfolio. SC Code citations: SC Const. art. X, § 16; SC Code, Title 9, Chapters 1 and 16; Title 30, Chapter 4.

FY 2006-07

Total	General Funds	Federal Funds	Supp. Funds	CRF	Other Funds	FTEs
\$2,788,905	\$0	\$0	\$0	\$0	\$2,788,905	11.00

Expected Results:

(1) Maintain a disciplined investment process incurring reasonable investment expense, provide for transparency of decision making process, oversee managers (MGRs) and operations to ensure implementation of changes & compliance; (2) Set Investment Objectives, Policies and investment strategies within prudent standards, provide attentive management and monitoring of performance and MGRs to ensure prudent investing and compliance with investment policies/plan and applicable laws, attain high risk-adjusted alpha relative to appropriate benchmarks; (3) Attend and/or provide education on related topics to maintain and improve knowledge to provide optimal services to pension trust funds; (4) Monitor compliance of RSIC with statutory requirements, contractual arrangements, Freedom of Information Act (FOIA) requests, investment plans/policies, and securities litigation/claims administration to meet fiduciary standards.

Outcome Measures:

Results will be subject to constraints imposed by law, prudent investment management & performance of money & capital markets over 20- to 30-year periods. Since inception and on an ongoing basis (1) Conduct meetings, coordinate/integrate investment activities, process expenses, maintain documentation, (2) Implement Policies/plans to achieve investment objectives in a prudent manner, conduct analyses, studies, research, and data verification by internal staff and external sources; (3) Conducted an educational retreat, RSIC and/or staff attended 13 seminars resulting in evaluation of several current processes & proposals for new policies to improve current standards; (4) RSIC held meetings, adopted Investment Plans, Objectives & Policies, completed FOIA requests as required by law, administered contracts relating to the portfolio, monitored securities litigation/claims resulting in asset recovery.

EXPLANATION:

Activity included within F03 for FY06. Act 153 of 2005 created separate Commission to invest retirement system funds.

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AGENCY TOTALS

Retirement System Investment Commission

TOTAL AGENCY FUNDS	TOTAL GENERAL FUNDS	TOTAL FEDERAL FUNDS	TOTAL OTHER FUNDS
\$2,788,905	\$0	\$0	\$2,788,905
	TOTAL SUPPLEMENTAL FUNDS	TOTAL CAPITAL RESERVE FUNDS	TOTAL FTEs
	\$0	\$0	11.00